

Testimony of
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A Hearing On
The Forest Emergency Recovery and Research Act

Presented To The
Committee On Agriculture
U.S. House of Representatives

The Forest Emergency Recovery and Research Act

"Man will not merely endure: He will prevail."

William Faulkner

Chairman Goodlatte, Ranking Member Petersen, Members of the Committee, thank you for the opportunity to appear before you today to speak on the Forest Emergency Recovery and Research Act and how this legislation could impact the recovery of forests from natural disasters. I will also discuss how it could help recover forests in Mississippi damaged from Hurricane Katrina.

I am James L. Cummins, Executive Director of the Mississippi Fish and Wildlife Foundation. I am a certified fisheries biologist, a certified wildlife biologist and a private landowner. I also serve on the Governor's (Haley Barbour) Commission on Recovery, Rebuilding and Renewal and I have recently been nominated by Governor Barbour to serve on the Board of the Mississippi Institute for Forest Inventory. My family's 140 acres have been in the family since 1833 and during that time it has undergone many changes from cotton to cattle/corn to timber/wildlife today. To pay the land taxes, during the depression, my Grandfather cut timber with a crosscut saw for 50 cents per day.

Some of the Mississippi Fish and Wildlife Foundation's more significant accomplishments include conceptualization of the Wildlife Habitat Incentives Program and the Healthy Forests Reserve Program, helping you pass the Grassland Reserve Program and working with you to develop many of the components of the Wetland Reserve Program. Regarding public lands, the Foundation worked to develop the Holt Collier and Theodore Roosevelt National Wildlife Refuges as well as the Sky Lake Wildlife Management Area, which contains the largest stand of ancient cypress in the world.

Many of you have spent a lot of time working on supplemental disaster bills for Katrina. Along with the 150,000 citizens of Mississippi who either lost their home or suffered significant damage to it and the 60,000 private forest landowners who lost significant amounts of their forest, I truly appreciate it.

Background

It was 2:00 p.m. on Saturday, August 27. The staff of the Mississippi Fish and Wildlife Foundation was in the process of hosting our 6th Annual Mississippi Fish and Wildlife Expo; we typically have 10,000 to 12,000 attendees during the 3-day event. But this time, I was not managing the event. I was meeting at the Emergency Operations Center in Hattiesburg, Mississippi. After reviewing the nine or so models from the National Weather Service and listening to local officials and their request for us to shut down one of the area's largest event of the year, there was no question. That evening we canceled the Expo and moved the vendors out; 12 hours later, the largest public facility north of the Mississippi Gulf Coast and south of Jackson began providing shelter to the thousands of evacuees from New Orleans, Biloxi, Gulfport and the other numerous cities and towns in harm's way.

Little did I know that a storm surge 80 miles wide and 30 feet high was racing to the Gulf Coast. Little did I know that winds of over 150 miles per hour were on their way to the Coast and we would have over 100 mile per hour winds over 200 miles inland. Katrina did not care if you were poor, wealthy or in the middle. She was an equal opportunity destroyer.

When Oxford, Mississippian William Faulkner accepted the Nobel Prize in 1950, he said "I believe that man will not merely endure: He will prevail. He is immortal, not because he alone among creatures has an inexhaustible voice, but because he has a soul, a spirit capable of compassion, sacrifice and endurance." Today, Mr. Faulkner would be proud of his state. Its spirit, cooperation and help for others is amazing. Although Mississippi ranks last in average household income, Mississippi has the highest per capita of charitable giving of any state in the United States.

What is Needed?

When we have a disaster, first at hand is helping people with some basic needs - food, clothing and shelter. Help them rebuild their lives and their spirit. Some of that has already been done and the entire Congress and the Administration deserves credit for helping. Thank you. Next, we must begin addressing the rebuilding of infrastructure - roads, schools, bridges, etc. - and getting people back to work.

Beside the most important species inhabiting our state - the human species - Katrina had other victims. They are the diverse species of fish, wildlife and plants, including over 170 species of amphibians and reptiles alone. Pine and hardwood forests are their main habitat and the greatest non-human victim of Katrina. Katrina caused the largest single devastation of forests in our Nation's history. And it is the largest single devastation of fish and wildlife habitat since the Exxon Valdez.

According to the USDA Forest Service, Hurricane Katrina damaged 5 million acres of forest land, with 4 million acres in Mississippi alone, and most of it on private forest lands. This represents 19 billion board feet of timber with a value of \$5 billion. This is enough timber to build 800,000 homes and make 25 million tons of paper and paperboard. Much of the downed timber will be worthless due to splintering of the logs and degradation of the wood structure. Experience with Hurricanes Ivan and Hugo suggest that about 1/3 of the downed timber will be salvageable; that will only partially defray the costs of clearing, site preparation and replanting. I expect we will be able to salvage only 1/5 of the downed timber from Katrina. With any forest disaster, prompt salvage is needed to capture value and prevent future insect and wildfire outbreaks.

Benefits of HR 4200

But what can the federal government do to aid in the recovery of our forests and their associated resources after hurricanes, wildfires and other disasters? Let me provide an overview of the needs. These needs were developed after many conversations and meetings with private landowners, county and state forestry associations and the conservation community. Most of these recommendations - at least the ones specific to Hurricane Katrina - are in the Report from Governor Haley Barbour's Commission on Recovery, Rebuilding and Renewal. I am submitting a copy of that report for the record. Some of these needs are also addressed in HR 4200.

Salvage/Clean Up

First is salvage and clean up, which has begun, but only on non-federal lands. It was not until November 25 that the comment period ended for salvage on DeSoto National Forest. Hopefully, once enacted, this bill will speed this process up. As it currently stands, it has taken 3 months to advertise the sale of 250 million board feet, and now, there are no loggers available. For this sale, there was one comment, and it was not negative. The Forest Service estimates that there are 500 million board feet of salvage timber on the DeSoto National Forest. Last year, the harvest for all of the National Forests in Mississippi was 100 million board feet with a value of about \$29 million. To put this harvest in perspective, during this same year, the value of the harvest from the entire Pacific Northwest Region was only double that of the harvest from National Forests in Mississippi.

Due to the extensive damage to homes from the hurricanes this season, as well as from many disasters, there is an increased demand for wood products. Many of those products can come from salvage instead of cutting live trees that are producing oxygen, sequestering carbon dioxide, filtering air and water, providing fish and wildlife habitat and providing numerous other benefits.

The conservation of resources is very important to us. Not salvaging is simply a waste of precious natural resources. Not cleaning up this mess left from Katrina or Rita would be like not cleaning up the oil after the Valdez hit Bligh Reef.

Some people and organizations are concerned that live, healthy trees will be taken. Most of the time, that is not in the best interest of the landowner, whether the landowner is a private citizen or public agency. Salvage typically brings a lesser dollar value than healthy trees and the nature of salvage means a lot of product is being "dumped" on the market resulting in a depressed price.

With Katrina, we are seeing that the excessive buildup of downed timber and associated storm debris is a significant hindrance to fire fighting crews. Fires in these areas will burn more intensely due to the excessive buildup of fuels. Also, due to the opening of the canopy by Katrina, there will be excessive growth of native vegetation as well as invasive species such as cogongrass. This growth will add to the already dangerously high fuel levels across the storm impacted areas, increasing the chances of a catastrophic fire event. This bill will greatly assist us in reducing this fire threat.

Let me be clear - from a restoration perspective and a conservation perspective - salvaging this material - especially in the Southeast - is very important.

That is one of the reasons why my representative, Congressman Bennie Thompson, and Congressman Chip Pickering co-sponsored H.R. 4200, the Forest Emergency Recovery and Restoration Act.

Invasive Species

We are also extremely pleased that the bill recognizes the susceptibility of damaged land to invasive species. Hurricanes spread invasive species, such as the newly found giant salvinia in the Pascagoula River, which came ashore from Hurricane Dennis. In areas of severe blowdown, the removal of forest canopy will dramatically increase available sunlight reaching the understory and encourage an explosion of a number of highly invasive species. Among the most problematic in the impacted area from Katrina are Chinese tallow tree (*Triadica sebifera*), cogongrass (*Imperata*

brasiliensis and *I. cylindrica*), privet hedge (*Ligustrum sinense*) and Japanese climbing fern (*Lygodium japonicum*). Without aggressive action, it is extremely likely that Chinese tallow tree, cogongrass, privet hedge and Japanese climbing fern will "capture succession" across thousands of acres and prevent re-establishment of native forests across ownerships, including an array of ecologically and economically significant public and private lands.

Forest Restoration

I am extremely pleased to see HR 4200 placing an emphasis on forest restoration. As the planning for forest restoration takes place, I hope a lot of thought will take place on what species are to be planted.

For example, the majority of forest devastation from Katrina occurred to loblolly pine. The Forest Service's management bulletin (R8-MB 63) titled "How To Evaluate And Manage Storm-Damaged Forest Areas" shows that the native longleaf pine is much more resistant to breakage, uprooting, salt spray and insects and disease than loblolly and other species of pine. Moreover, longleaf pine produces superior wood products, such as saw timber, utility poles and other high value products. Many of our federal reforestation programs (i.e., Conservation Reserve Program, etc.) have allowed the planting of loblolly pine in areas where this type of damage, as well as frequently flooded lands, which are more beneficial planted in bottomland hardwoods, can occur. By planting a species that is more resistant to these factors, we can better sustain forests through catastrophic storms and save taxpayer dollars.

When forest restoration needs are reasonable, programs that HR 4200 outlines are adequate, especially for public lands. Private forest lands are extremely important too. According to the Forest Service, public forest lands comprise 317 million acres (42.38%) and private forest lands comprise 431 million acres (57.62%), predominantly in the eastern United States. Private forests provide approximately 90 percent of our nation's timber harvest.

With Katrina, a combination of tax-based programs and existing direct payment/cost-share programs will help meet the needs of both small and medium-sized private landowners as outlined in the Landscape Assessment component of the bill. It is important that we use a variety of programs that the Department's of Agriculture and Interior have to take advantage of the agencies' current staff.

On the direct payment and cost-share side, the Healthy Forests Reserve Program, which originated in the Agriculture and Resources committees, and under your leadership, can provide the greatest benefit to the private landowner and the forests of the Gulf Coast area. The landowner can utilize the cost-share to restore the forests. He/she can utilize the easement payment of either 30 or 99 years to help offset a loss of income. To maximize the acreage restored, you might consider emphasizing the 10-year option.

The U.S. Department of Agriculture should consider utilizing the expired Continuous Sign-up for Longleaf Pine in the Conservation Reserve Program for affected counties in the range of longleaf pine. Longleaf is more resistant to high winds and in some cases it is a higher value product than loblolly; longleaf is also a much more desirable tree from a conservation perspective.

The existing programs described above, and especially the proposed new

program described below, can be included in the Landscape Assessment, as stated in HR 4200, and can improve what the legislation is trying to accomplish.

Emergency Restoration Tax Credit

An Emergency Restoration Tax Credit program should be authorized. It is an incentive-based restoration program, in the form of a federal income tax credit, which, in many cases, is more desirable than a direct payment. States such as Mississippi and Texas have had enormous success with tax credit based restoration programs utilizing state income tax credits. The program would be administered through the State and Private Forestry division of the USDA Forest Service and implemented by the state agency(s) chosen by the Governor. The program would be eligible in counties/parishes designated as a Presidential Disaster Area.

The applicable state agency would provide technical and financial assistance to private landowners on a voluntary basis to restore forests and other natural resources on their property through the proposed tax credit based program.

To be eligible for the tax credit, a property owner must have a restoration plan prepared for the eligible land by a registered forester or certified fish or wildlife biologist. The forester or biologist must verify in writing that the conservation practices were completed and that the conservation plan was followed.

A restoration plan, which is a written description of the approved restoration practices that the eligible owner plans to use which includes a map of the project area and a list of the practices that will be implemented, would be developed by the state agency. A non-profit forestry or conservation agency/organization may assist in providing the technical and/or financial assistance for the development and implementation of restoration plans.

The applicable state agency would provide private landowners with technical assistance to comply with the terms of the agreement. The agreement should be a maximum of 10 years in length.

The Forest Service, in consultation with the state agency, should determine the eligible activities. Possible eligible activities for the Presidential Disasters Declared for Hurricanes Katrina and Rita might include: forest restoration to include debris removal, control or eradication of invasive species, site preparation, tree planting, direct seeding, firebreaks, release and site preparation for natural regeneration, restoration of hydrology; restoration of wildlife habitat and corridors; fencing for habitat protection, removal of debris barriers for aquatic species, stream bank stabilization, restoration of threatened and endangered species habitat and corridors; and restoration of rivers and streams.

Any eligible owner who incurs costs for approved restoration practices on eligible lands shall be allowed a credit, in an amount equal to the lesser of 75 percent of the actual costs of the approved conservation practices or 75 percent of the average cost of approved practices as established against the taxes imposed pursuant to this chapter for the tax year in which the costs are incurred.

The credit should not exceed the lesser of \$50,000.00 or the amount of income tax imposed upon the eligible owner for the taxable year reduced by the sum of all other credits allowable to the eligible owner under this chapter, except credit for tax payments made by or on behalf of the eligible owner. Any unused portion of the credit may be

carried forward for succeeding tax years. A landowner would be eligible for up to \$50,000 of tax credits per year for a maximum of 3 years after the Presidential declaration.

A separate component will be a restoration tax credit for homeowners. It shall be limited to \$2,500 per year for 3 years. The emphasis for it will be to restore urban and community forests.

If an eligible owner receives any state or federal cost share assistance funds to defray the cost of an approved conservation practice, the cost of that practice on the same acre or acres within the same tax year is not eligible for the credit.

I am submitting some draft language on this potential program for the record and hope, as you mark up HR 4200, you will consider including this provision.

Urban/Community Forestry

We are pleased the bill addresses urban/community forestry. According to the Mississippi Forestry Commission, 181 cities and communities have approximately 2.75 million trees damaged or destroyed with an economic value of \$1.1 billion.

To restore the quality of life on the Mississippi Gulf Coast, financial and technical assistance is needed to plan and re-establish trees and forests. Emphasis should be placed on trees that are the most resistant to high winds (i.e., live oaks, longleaf pine and bald cypress). The USDA Forest Service's Urban and Community Forestry Program and the proposed Emergency Restoration Tax Credit can greatly assist in these efforts.

Threatened/Endangered Species Restoration

There were many impacts to threatened and endangered species from Katrina. There was probably little or no direct mortality on gopher tortoises, but indirectly the destruction and opening of the canopy in habitat that already was marginal will accelerate understory shrub and hardwood encroachment to further increase habitat loss in the absence of adequate prescribed fire and management. We were in the process of working in cooperation with private landowners, Environmental Defense, the Longleaf Alliance, the American Forest Foundation and others to restore habitat for the tortoise and de-list it in ten years. That is unlikely now.

Conclusion

I hope I have provided you an overview of the impacts of Hurricane Katrina, why HR 4200 is needed and how it can be improved to better address the needs of private landowners.

Thank you. I will be glad to respond to any questions you might have.